

# Congress of the United States

Washington, DC 20515

June 28, 2002

Daniel G. Montgomery  
Executive Director  
Air Transportation Stabilization Board  
1120 Vermont Avenue, Suite 970  
Washington, D.C. 20005

Dear Mr. Montgomery:

We are writing to urge the Air Transportation and Stabilization Board to give full, fair and expeditious consideration to United Airlines' application for a Federal loan guarantee under the Air Transportation Safety and System Stabilization Act.

United Airlines was significantly impacted by the September 11<sup>th</sup> terrorist attacks. With two of the four hijacked aircraft belonging to United, it was both a target and a victim of the tragic events of September 11. The dramatic drop in air travel after September 11--especially in high-yield business and international travel--has had a significant impact on United's financial condition, which already had been adversely impacted by challenging economic conditions during 2001.

United has outlined a sound financial recovery plan with four main tenets: expense reduction; revenue enhancement; employee shared sacrifice; and financing and liquidity. United has made substantial progress on three of the four components of their financial recovery plan. However, United has not been able to reasonably or reliably access the capital or bank markets in sufficient volumes since September 11<sup>th</sup>. It is for this reason that United has applied for a Federal loan guarantee. A Federal loan guarantee would allow United to maintain prudent levels of liquidity and would facilitate its reasonable access to other sources of capital by enhancing market confidence in United.

When Congress created the loan guarantee program in the wake of the terrorist attacks, it was to assist air carriers who suffered losses due to the terrorist attacks of September 11, and to whom credit was not otherwise reasonably available, in order to facilitate a safe, efficient, and viable aviation system in the United States. United is in precisely the situation Congress had in mind when it enacted the Air Transportation Safety and System Stabilization Act. United, an airline which is vital to the safety and efficiency of the nation's air transportation system, needs financial assistance from the Federal government to address its temporary financing loss resulting from September 11<sup>th</sup>. At the same time, United has a sound business plan that will enable it to continue to provide its critical air service and to repay the Federally guaranteed loan.

Again, we urge the Board to give full, fair and expeditious consideration to the United Airlines' application. This is an important decision. As the world's second largest airline, United carries nearly 1.5 million passengers a week, accounts for more than 17 percent of the nation's airline industry capacity, plays a vital role in maintaining the safety, efficiency

and viability of U.S. commercial aviation, provides more than 83,000 direct jobs, and indirectly supports hundreds of thousands of jobs throughout the United States.

Thank you for time and attention to this matter.

Sincerely,

William C. [Signature]

[Signature] (Shimkus)

Phil Crane

Jimmy J. [Signature]

David D. [Signature]

J.C. [Signature]

Julius [Signature]

Mike [Signature]

Jim Schelwally

Tom Sawyer

[Signature]

Danny D. Davis

Alan Kinn

[Signature]

[Signature]

[Signature]

Ronald L. [Signature]

Richard R. [Signature]

John J. [Signature]

Donald P. Manzullo  
 W. J.

~~Frank E. [unclear]~~  
 [unclear]

Paul Blagofinkel

Tim Holden  
 Q. U. O.

Bob Filer

Bill Shuster

Mary Kaptur

Ed [unclear]

Carol [unclear]  
 [unclear]  
 [unclear]

Charles A. [unclear]  
 Baby L. [unclear]  
 Bob [unclear]

Bob [unclear]

[unclear]

Judy Beggitt

Klaus. [unclear]

Dr. [unclear]

Shelley Berkley

Erl Blumen

Jim Matthe

Corine Brown

Jack Quinn

Brian B

Ellen Dauscher

William H. Zetser

Chris V. Hoffman

John Baldacci

## **List of Members**

William O. Lipinski

John Shimkus

Phil Crane

Jerry Costello

David Phelps

John Murtha

Robert Menendez

Richard Neal

Janice Schakowsky

Tom Sawyer

Donald Manzullo

Mark Green

Lane Evans

Max Sandlin

Rod Blagojevich

Tim Holden

Peter Visclosky

Bob Filner

Bill Shuster

Marcy Kaptur

Brad Carson

Shelly Berkley

Earl Blumenauer

Jim Matheson

Corrine Brown

Jack Quinn

Ray LaHood

Timothy Johnson

Danny Davis

Mark Kirk

Anthony Weiner

Peter DeFazio

Juanita Millender-McDonald

Leonard Boswell

John Larson

John Duncan

Jerrold Nadler

Solomon Ortiz

Silvestre Reyes

Charles Gonzalez

Bobby Rush

Robert Borski

Bob Brady

Steny Hoyer

Judy Biggert

Frank Mascara

Bob Clement

Brain Baird

Ellen Tauscher

Eleanor H. Norton

Luis V. Gutierrez

John Baldacci